

Copyright	Date	December 26, 2019	Court	Intellectual Property High Court, Fourth Division
	Case number	2019 (Ne) 10048		
<p>- A case in which, concerning the copyrighted work of a photograph capturing two penguins, Defendant took the acts of reproducing and transmitting to the public the images in which each penguin is the subject, and the court approved copyrightability for each photograph capturing each penguin, thereby acknowledging two cases of copyright infringement, and furthermore, upon calculating the amount of damages pursuant to Article 114, paragraph (3) of the Copyright Act, the court held that, by considering the aforementioned acts as a whole, they can be evaluated as constituting single use of a single copyrighted work.</p> <p>- A case in which, concerning the cost that is equivalent to the fee for translating documents submitted to the court and that is part of the attorney's fees for the case of seeking provisional disposition having been filed to identify the defendant prior to the lawsuit for infringement of copyright, etc., the court did not acknowledge that said cost has legally sufficient cause with the act of tort.</p>				

Case type: Compensation

Result: Partial modification of the prior instance judgment

References: Article 2, paragraph (1), item (ix)-5 (a) and item (xv), Articles 19, 20, and 21, Article 23, paragraph (1), and Article 114, paragraph (3) of the Copyright Act; Article 416, paragraph (1) and Article 709 of the Civil Code

Prior instance: Judgment rendered on May 31, 2019 by Tokyo District Court (2018 (Wa) 32055)

Summary of the Judgment

1. In the present case, First Instance Plaintiff asserted that the acts by First Instance Defendant of partially altering the image data of a photograph, which is First Instance Plaintiff's copyrighted work (hereinafter referred to as "Photograph"), and uploading the processed image data as First Instance Defendant's Profile Images and the like on its account for an online karaoke service (hereinafter referred to as "Service") fall under acts of infringement of First Instance Plaintiff's copyrights (the right of reproduction and the right to transmit to the public) and moral rights of author (the right of attribution and the right to integrity), thereby demanding against First Instance Defendant, in compensation for damage resulting from acts of tort of infringement of copyrights and infringement of moral rights of author, damages in the amount of 1,689,848 yen and, for 844,924 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 until payment completion, and for the remaining 844,924 yen from among the damages, delay damages arising

therefrom for the period from February 18, 2016 until payment completion, both at the rate of 5% per annum as prescribed by the Civil Code.

In the judgment in prior instance, the court regarded the two acts of infringement of copyrights and the like, as asserted by First Instance Plaintiff, to be a set of acts of tort, and approved First Instance Plaintiff's claims within the extent of ordering First Instance Defendant to pay damages in the amount of 712,226 yen and the delay damages arising therefrom for the period from February 18, 2016 (the date of the second act of infringement as asserted by Plaintiff) until payment completion at the rate of 5% per annum, and dismissed the other claims.

In response to the judgment in prior instance, First Instance Plaintiff filed an appeal against the part in which First Instance Plaintiff lost and in which the court dismissed the claim for payment of damages in the amount of 766,000 yen and of delay damages arising therefrom, and First Instance Defendant filed an appeal against the entire part in which First Instance Defendant lost.

2. In the judgment of the present case, the court held as outlined below, and partially modified the judgment in prior instance based on the appeal filed by First Instance Defendant, and reduced the amount of the principal payable by First Instance Defendant. Furthermore, by determining the respective date of each act of infringement as the start date for calculating delay damages the court ordered First Instance Defendant for payment of damages in the amount of 582,226 yen and, for 291,113 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 (the date of first act of infringement) until payment completion, and for the remaining 291,113 yen from among the damages, delay damages arising therefrom for the period from February 18, 2016 (the date of second act of infringement) until payment completion, both at the rate of 5% per annum.

- (1) Whether or not there is infringement of copyrights and infringement of the moral rights of author for the Photograph

The Photograph is such that First Instance Plaintiff captured two penguins walking in line, one in the front and the other in the back (in the photo, one on the right and the other on the left), by trying various measures with the composition, shading, angle of view, and focal position and the like and seizing the perfect photo opportunity, and is acknowledged as expressing First Instance Plaintiff's personality, so that it is acknowledged that it constitutes a creation and falls under a photographic work (Article 10, paragraph (1), item (viii) of the same Act) whose author is First Instance Plaintiff.

Furthermore, of the two penguins in the Photograph, the part in which the subject is only the penguin on the right constitutes a part of the Photograph, which is a copyrighted work, but it is acknowledged that First Instance Plaintiff's personality is also expressed in said part in terms of composition, shading, angle of view, and focal position and the like, so that it is acknowledged that said part constitutes a creation and has copyrightability on its own. Similarly, of the two penguins in the Photograph, the part in which the subject is only the penguin on the left constitutes a part of the Photograph, which is a copyrighted work, and it is acknowledged that First Instance Plaintiff's personality is expressed therein, so that it is acknowledged that said part constitutes a creation and has copyrightability on its own.

Around January 7, 2016, First Instance Defendant downloaded, from a website on the Internet, an image which had been created by First Instance Plaintiff by turning the Photograph into image data (hereinafter referred to as "Plaintiff's Image"), and around the same date, First Instance Defendant cropped Plaintiff's Image by cutting off only the penguin on the right along with its background, from among the two penguins on Plaintiff's Image, and after deleting the indication of Plaintiff's name which was on Plaintiff's Image, uploaded the processed image data to use the same as Defendant's profile images on Defendant's account for the Service (hereinafter referred to as "Act 1"). Furthermore, around February 18 of the same year, First Instance Defendant cropped Plaintiff's Image by cutting off only the penguin on the left along with its background, from among the two penguins on Plaintiff's Image, and after deleting the indication of Plaintiff's name which was on Plaintiff's Image, uploaded the processed image data to use the same as Defendant's profile images on Defendant's account for the Service (hereinafter referred to as "Act 2"). As a result of uploading these image data, it is acknowledged that the Photograph was partially reproduced in physical forms, and was made available for transmission, so that it is acknowledged that each of above acts by First Instance Defendant respectively falls under an act of infringement of right of reproduction and the right to transmit to the public for the Photograph which is held by First Instance Plaintiff, and that they fall under infringement of First Instance Plaintiff's right of attribution and right to integrity.

- (2) Amount of damages suffered by First Instance Plaintiff
 - A. Amount of damages pursuant to Article 114, paragraph (3) of the Copyright Act

Each of Acts 1 and 2 by First Instance Defendant is an independent act on its own, but each of them constitutes an act of reproducing and making available for transmission the part whose subject is only the penguin on the right (Right Part), or the penguin on the left (Left Part), which is a part of the Photograph, which is a copyrighted work, so that when these acts are considered as a whole, it can be evaluated as constituting a single use of a single copyrighted work.

In light of the manner of the infringing acts by First Instance Defendant as described above, it is reasonable to calculate the amount of damages pursuant to Article 114, paragraph (3) of the Copyright Act in the present case by multiplying the period of use by the amount that is equivalent to the usage fee for the Photograph.

- B. Cost for seeking provisional disposition from among the costs related to disclosure of identification information of the sender

In a case of petition for provisional disposition, the translation fees for translating documents to be submitted to the court fall under the costs prescribed in Article 2, item (viii) of the Act on Costs of Civil Procedure, and if the petition filed by a creditor is approved, the obligor bears such costs (Article 7 of the Civil Provisional Remedies Act, Article 61 of the Code of Civil Procedure), so that First Instance Plaintiff, who is the creditor of the present case seeking provisional disposition and whose petition was approved, should, in theory, receive payment of the above costs from the obligor of the present case seeking provisional disposition instead of receiving payment from First Instance Defendant. Furthermore, with regards to the cost equivalent to the work of translation into English, as is claimed to be included in the deposit for the engagement agreement between First Instance Plaintiff and Plaintiff's agent, there is no sufficient evidence to acknowledge any special circumstances based on which First Instance Defendant, instead of the aforementioned obligor, should bear such translation cost.

Accordingly, with regards to the cost equivalent to the aforementioned cost of translation into English from among the costs for the case of seeking provisional disposition prior to filing the lawsuit, it cannot be acknowledged that it falls under damage that has legally sufficient cause with the acts of tort by First Instance Defendant.

Judgment rendered on December 26, 2019

2019 (Ne) 10048 Appeal Case of Seeking Damage Compensation

(Prior instance: Tokyo District Court 2018 (Wa) 32055 Case of Seeking Damage Compensation)

Date of conclusion of oral argument: November 7, 2019

Judgment

Appellant and Appellee: X (hereinafter referred to as "First Instance Plaintiff")

Appellee and Appellant: Y (hereinafter referred to as "First Instance Defendant")

Main text

1. Based on the appeal filed by First Instance Defendant, the judgment in prior instance shall be modified as follows.
2. First Instance Defendant shall pay to First Instance Plaintiff damages in the amount of 582,226 yen and, for 291,113 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 until payment completion, and for the remaining 291,113 yen from among the damages, delay damages arising therefrom for the period from February 18, 2016 until payment completion, both at the rate of 5% per annum.
3. Other claims made by First Instance Plaintiff shall be dismissed.
4. The appeal filed by First Instance Plaintiff shall be dismissed.
5. Court costs shall be divided into three portions throughout the first and second instances, and two of such portions shall be borne by First Instance Plaintiff, with the remaining one portion being borne by First Instance Defendant.
6. Paragraph 2 of this judgment may be provisionally executed.

Facts and reasons

No. 1 Gist of the appeal

1. First Instance Plaintiff

- (1) The judgment in prior instance shall be modified as follows.
- (2) First Instance Defendant shall pay to First Instance Plaintiff damages in the amount of 1,478,226 yen and, for 739,113 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 until payment completion, and for the remaining 739,113 yen from among the damages, delay

damages arising therefrom for the period from February 18, 2016 until payment completion, both at the rate of 5% per annum.

2. First Instance Defendant

- (1) Of the judgment in prior instance, the part in which First Instance Defendant lost shall be reversed.
- (2) Concerning the aforementioned part, the claims made by First Instance Plaintiff shall be dismissed.

No. 2 Outline of the case (Unless particularly noted otherwise, the same abbreviations used in the judgment in prior instance shall be used herein.)

1. Summary of the case

In the present case, First Instance Plaintiff asserted that the acts by First Instance Defendant of partially altering the image data of the photograph, which is shown in the attached Indication of Photograph and which is First Instance Plaintiff's copyrighted work (hereinafter referred to as "Photograph"), and uploading the processed image data as First Instance Defendant's profile images and the like on its account for an online karaoke service fall under acts of infringement of First Instance Plaintiff's copyrights (the right of reproduction and the right to transmit to the public) and moral rights of author (the right of attribution and the right to integrity), thereby demanding against First Instance Defendant, in compensation for damage resulting from acts of tort of infringement of copyrights and infringement of moral rights of author, damages in the amount of 1,689,848 yen and, for 844,924 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 until payment completion, and for the remaining 844,924 yen from among the damages, delay damages arising therefrom for the period from February 18, 2016 until payment completion, both at the rate of 5% per annum as prescribed by the Civil Code.

In the judgment in prior instance, the court approved First Instance Plaintiff's claims within the extent of ordering First Instance Defendant to pay damages in the amount of 712,226 yen and the delay damages arising therefrom for the period from February 18, 2016 until payment completion at the rate of 5% per annum, and dismissed the other claims.

In response to the judgment in prior instance, First Instance Plaintiff filed an appeal against the part in which First Instance Plaintiff lost and in which the court dismissed the claim for payment of damages in the amount of 766,000 yen and of delay damages arising therefrom, and First Instance Defendant filed an appeal against the entire part in which First Instance Defendant lost.

2. Basic facts

Other than the revisions made as follows, the content indicated under "2" of "No. 2" in "Facts and reasons" of the judgment in prior instance apply and shall be cited here.

- (1) On line 12 on page 2 of the judgment in prior instance, revise "two penguins [walking in line], one in the front and the other in the back (on the screen, one on the right and the other on the left)" to "in the attached Indication of Photograph, two penguins [walking in line], one in the front and the other in the back (in the photo, one on the right and the other on the left)", and on line 13 on the same page, add "in the attached Indication of Plaintiff's Image" after the word, "Plaintiff".
- (2) On line 16 on page 2 of the judgment in prior instance, revise "(hereinafter referred to as "Plaintiff's Website")" to "(hereinafter referred to as "Plaintiff's Website"; Exhibit Ko 45)", and on line 24 on the same page, revise "Smule, Inc." to "Smule, Inc. (エスミュール・インコーポレーテッド)".
- (3) On line 7 on page 3 of the judgment in prior instance, revise "Defendant's profile images and the like (hereinafter referred to as 'Defendant's Profile Images')" to "the profile images numbered 1 and 2 in the attached Indication of Profile Images (hereinafter referred to as 'Defendant's Profile Image 1' and 'Defendant's Profile Image 2', respectively)".
- (4) On line 16 on page 3 of the judgment in prior instance, revise "Defendant" to "Smule, Inc.".

3. Issues

- (1) Whether or not there is infringement of copyrights (the right of reproduction and the right to transmit to the public) and infringement of moral rights of author (the right of attribution and the right to integrity) for the Photograph (Issue 1)
- (2) Amount of damage suffered by First Instance Plaintiff (Issue 2)

(omitted)

No. 4 Judgment of this court

1. Findings

Other than the revisions made as follows, the content indicated under "1" of "No. 4" in "Facts and reasons" of the judgment in prior instance apply and shall be cited here.

- (1) On line 11 on page 12 of the judgment in prior instance, revise "by indicating Plaintiff's name in the lower right and left corners of Plaintiff's Image and otherwise processing the image" to "by indicating Plaintiff's name in the lower right and left corners and otherwise processing the image, created Plaintiff's Image as shown in the attached Indication of Plaintiff's Image", and on line 17 on the same page, revise "on the screen showing Plaintiff's Image" to "of the two penguins in Plaintiff's Image".
 - (2) On line 20 on page 12 of the judgment in prior instance, revise "Infringing Act 1" to "Act 1", and on lines 22 and 23 on the same page, revise "Defendant's Profile Image as shown on the right (hereinafter referred to as 'Defendant's Profile Image 1')", to "Defendant's Profile Image 1", and delete the image shown in the lower right section of the same page.
 - (3) On line 4 on page 13 of the judgment in prior instance, revise "Defendant's Image 1, Etc." to "Defendant's Profile Image 1, Etc.", and on line 10 on the same page, revise "on the screen showing Plaintiff's Image" to "of the two penguins shown in Plaintiff's Image", and on line 13 on the same page, revise "Infringing Act 2" to "Act 2", and on lines 15 and 16 on the same page, revise "Defendant's Profile Image as shown on the right (hereinafter referred to as 'Defendant's Profile Image 2')" to "Defendant's Profile Image 2 as shown under '2' in the attached Indication of Profile Images", and delete the image shown in the middle section of the same page.
2. Issue 1 (Whether or not there is infringement of copyrights (the right of reproduction and the right to transmit to the public) and infringement of the moral rights of author (the right of attribution and the right to integrity) for the Photograph)

Other than the revisions made as follows, the content indicated under "2" of "No. 4" in "Facts and reasons" of the judgment in prior instance apply and shall be cited here.

- (1) From line 23 on page 14 until line 11 on page 15 of the judgment in prior instance, make the following revision.

"(1) Reproduction of copyrighted works (Article 21 and Article 2, paragraph (1), item (xv) of the Copyright Act) means the act of relying on a copyrighted work and reproducing it in a physical form that allows its essential characteristics of expression to be felt directly, and even when the copyrighted work is partially reproduced in a physical form, instead of being reproduced entirely, if said reproduced part contains some creative expression that is

acknowledged as being a copyrighted work on its own, such act is interpreted as falling under reproduction.

According to the findings of the above 1 (1), the Photograph (the photograph shown in the attached Indication of Photograph) is such that First Instance Plaintiff captured two penguins walking in line, one in the front and the other in the back (in the photo, one on the right and the other on the left), by trying various measures with the composition, shading, angle of view, and focal position and the like and seizing the perfect photo opportunity, and is acknowledged as expressing First Instance Plaintiff's personality, so that it is acknowledged that it constitutes a creation and falls under a photographic work (Article 10, paragraph (1), item (viii) of the same Act) whose author is First Instance Plaintiff.

Furthermore, of the two penguins in the Photograph, the part in which the subject is only the penguin on the right constitutes a part of the Photograph, which is a copyrighted work, but it is acknowledged that First Instance Plaintiff's personality is also expressed in said part in terms of composition, shading, angle of view, and focal position and the like, so that it is acknowledged that said part constitutes a creation and has copyrightability on its own. Similarly, of the two penguins in the Photograph, the part in which the subject is only the penguin on the left constitutes a part of the Photograph, which is a copyrighted work, and it is acknowledged that First Instance Plaintiff's personality is expressed therein, so that it is acknowledged that said part constitutes a creation and has copyrightability on its own.

In other words, according to the above finding 1 (2) or (4), around January 7, 2016, First Instance Defendant downloaded, from a website on the Internet, Plaintiff's Image, which was created by First Instance Plaintiff by turning the Photograph into image data, and around the same date, First Instance Defendant cropped Plaintiff's Image by cutting off only the penguin on the right along with its background, from among the two penguins in Plaintiff's Image, and after deleting the indication of Plaintiff's name which was on Plaintiff's Image, uploaded the processed image data to use the same as Defendant's Profile Images on Defendant's Account for the Service. Furthermore, around February 18 of the same year, First Instance Defendant cropped Plaintiff's Image by cutting off only the penguin on the left along with its background, from among the two penguins in Plaintiff's Image, and after deleting the indication of Plaintiff's name which was on Plaintiff's Image,

uploaded the processed image data to use the same as Defendant's Profile Images on Defendant's Account for the Service. As a result of uploading these image data, it is acknowledged that the image data of Defendant's Images were stored, with URLs attached thereto, on a server which is used by Smule, Inc. and which is located in the United States, and thus the Photograph was partially reproduced in physical forms, and was made available for transmission. As such, it is acknowledged that each of the above acts by First Instance Defendant (Act 1 and Act 2) respectively falls under an act of infringement of the right of reproduction and the right to transmit to the public for the Photograph which is held by First Instance Plaintiff, and that they fall under infringement of First Instance Plaintiff's right of attribution and right to integrity."

- (2) Delete lines 15 to 18 on page 15 of the judgment in prior instance.
- (3) On line 1 on page 16 of the judgment in prior instance, revise "the images used as Defendant's Profile Images were already processed" to "the images used as Defendant's Profile Images 1 and 2 were already processed into images of one penguin each", and on line 4 on the same page, revise "Defendant's Profile Images" to "the images to be used as Defendant's Profile Images 1 and 2".
- (4) At the end of line 8 on page 16 of the judgment in prior instance, start a new line and add the following.

"In response, First Instance Defendant asserted that First Instance Plaintiff filed multiple lawsuits, which are similar to the present case, involving Plaintiff's Image, and that, for example, in the two judgments according to Exhibits Otsu 9-1 and 9-2, it was found that an "unknown person" uploaded the images, which were created by cropping Plaintiff's Image, on a server and making them available to an unspecified number of people, and that these judgments provide evidence to support the argument that the images which were created by processing Plaintiff's Image had existed on the Internet even before First Instance Defendant uploaded Defendant's Profile Images 1 and 2.

However, according to evidence (Exhibits Ko 161, 162) and the entire import of the oral argument, the images, which were found to have been processed from Plaintiff's Image and were uploaded, according to the judgments of Exhibit Otsu 9-1 (Sapporo District Court Decision delivered on June 15, 2018 (2016 (Wa) 2097)) and Exhibit Otsu 9-2 (Sapporo District Court Decision delivered on May 18, 2018 (2016 (Wa) 2097)), as pointed out by

First Instance Defendant, both target two penguins, and are acknowledged to be different from Defendant's Profile Images 1 and 2 as well as Defendant's Images, which target only one penguin each, in the number of penguins. Accordingly, the two judgments of Exhibits Otsu 9-1 and 9-2 do not provide any evidence to support the argument that image data, which were created by cropping Plaintiff's Image in the same manner as Defendant's Profile Images 1 and 2 as well as Defendant's Images, had existed on the Internet even before Defendant's Profile Images 1 and 2 were uploaded.

Accordingly, the above claims made by First Instance Defendant cannot be accepted."

- (5) On lines 9 and 10 on page 16 of the judgment in prior instance, revise "Defendant's Profile Images" to "Defendant's Profile Images 1 and 2", and revise lines 13 to 24 on the same page as follows.

"However, as per the finding of the above (1), of the two penguins in the Photograph, each of the part whose subject is only the penguin on the right and the part whose subject is only the penguin on the left respectively constitutes a part of the Photograph, which is a copyrighted work, and it is acknowledged that said parts express First Instance Plaintiff's personality in terms of composition, shading, angle of view, and focal position and the like, so that it is acknowledged that said parts constitute creations and have copyrightability on their own.

Furthermore, given that Defendant's Images 1 to 4, which correspond to Defendant's Profile Image 1, are created by cutting out the penguin, which is shown on the right side of the screen showing Plaintiff's Image, along with its background, and Defendant's Images 5 to 8, which correspond to Defendant's Profile Image 2, are created by cutting out the penguin, which is shown on the left side of the screen showing Plaintiff's Image, along with its background, it is acknowledged that the essential characteristics of the above parts of the Photograph can be felt from the above images. Furthermore, it cannot be said that the essential characteristics of the above parts of the Photograph cannot be felt based on the argument that the resolution of the images, which are shown as Defendant's Profile Images 1 and 2, is poor.

Accordingly, the above claims made by First Instance Defendant cannot be accepted."

- (6) On line 2 on page 17 of the judgment in prior instance, revise "has not been performed" to "has not been performed, and since it is very unlikely that the

general public would enter the URLs of Defendant's Images 1 to 4, which are sufficiently lengthy and complex, directly on a Web browser to receive the data of Defendant's Images 1 to 4".

(7) On line 4 on page 17 of the judgment in prior instance, add "it cannot be said that it is difficult for an ordinary person to enter the URLs of Defendant's Images 1 to 4" after "However".

(8) Revise lines 8 to 10 on page 17 of the judgment in prior instance as follows.

"(3) From what is described above, each of First Instance Defendant's Acts 1 and 2 respectively falls under an act of infringement of copyrights (the right of reproduction and the right to transmit to the public) and the moral rights of author (the right of attribution and the right to integrity) for the Photograph held by First Instance Plaintiff, and since it is acknowledged that there was at least negligence on the part of First Instance Defendant for the infringement, First Instance Defendant is liable for compensating First Instance Plaintiff, pursuant to Article 709 of the Civil Code, for the damage suffered by First Instance Plaintiff as a result of the acts described above."

3. Issue 2 (Amount of damage suffered by First Instance Plaintiff)

Other than the revisions made as follows, the content indicated under "3" of "No. 4" in "Facts and reasons" of the judgment in prior instance apply and shall be cited here.

(1) On line 12 on page 17 of the judgment in prior instance, revise "(1) Damages equivalent to the usage fee" to "(1) Amount of damages pursuant to Article 114, paragraph (3) of the Copyright Act", and on line 21 on the same page, revise "two cases involving" to "as well as three cases involving JR pamphlets", and on line 23 on the same page, revise "(Exhibits Ko 54 to 60)" to "(Exhibits Ko 54 to 60, 116, 117)".

(2) On line 8 on page 18 of the judgment in prior instance, revise "amount equivalent to royalties" to "amount of damages (amount equivalent to the usage fee) pursuant to Article 114, paragraph (3) of the Copyright Act", and on line 10 on the same page, revise "amount equivalent to royalties" to "amount equivalent to the usage fee", and at the end of line 11 on the same page, start a new line and add the following.

"Furthermore, according to the findings of the above (1), each of Acts 1 and 2 by First Instance Defendant is an independent act on its own, and each of them constitutes an act of reproducing and making available for transmission the part whose subject is only the penguin on the right (Right Part), or the

penguin on the left (Left Part), which is a part of the Photograph, which is a copyrighted work, so that when these acts are considered as a whole, it can be evaluated as constituting single use of a single copyrighted work."

- (3) On lines 12 and 13 on page 18 of the judgment in prior instance, revise "as Defendant's Profile Images" to "as Defendant's Profile Images on Defendant's Account for the Service, which is an online karaoke service."
- (4) On lines 6 and 7 on page 19 of the judgment in prior instance, delete "took out the indication of Plaintiff's name", and on line 14 on the same page, add ", and each of Acts 1 and 2 by First Instance Defendant is an independent act on its own, and each of them constitutes an act of reproducing and making available for transmission the Right Part and the Left Part of the Photograph, which is a copyrighted work, so that when these acts are considered a whole, it can be evaluated as constituting single use of a single copyrighted work" after "where Defendant's Images were uploaded".
- (5) On lines 16 and 17 on page 19 of the judgment in prior instance, revise "the infringing acts by Defendant are interpreted as a set of acts constituting a single act of tort" to "manner of the infringing acts by First Instance Defendant", and on line 21 on the same page, revise "162,000 yen" to "a total of 162,000 yen".
- (6) At the end of line 23 on page 19 of the judgment in prior instance, start a new line and add the following.

"F In response, First Instance Plaintiff asserts the following: [i] In the present case, it should be understood that there were two acts of tort by First Instance Defendant; namely, Acts 1 and 2; [ii] Given that access to Defendant's Images was available at least on February 21 and April 26, 2017, and on March 5, April 23, and June 13, 2018 (Exhibits Ko 121 to 160), anyone could have access to Defendant's Images from anywhere at any time until the measure to delete them completely from the server was taken; [iii] First Instance Plaintiff had always determined usage fees based on Plaintiff's Price List, and there is an abundance of such case examples; and [iv] In other copyright infringement cases, which are similar to the present case, First Instance Plaintiff reached amicable settlements in cases involving uploading of image(s) on a domestic server by payment of damages in the amounts which closely adhere to Plaintiff's Price List (Exhibits Ko 92 to 117), and there is also a case involving uploading of image(s) on an overseas server, in which the usage fee indicated on Plaintiff's Price List was multiplied by 1.5 in order to reach an amicable

settlement, so that such cases should be taken into consideration, and thus, concerning each of Acts 1 and 2 by First Instance Defendant, damages should be granted in the amount of 100,000 yen per year, which is obtained by doubling the ordinary usage fee of 50,000 yen as shown on Plaintiff's Price List.

However, concerning the point made in the above [i], as already described, Acts 1 and 2 by First Instance Defendant are independent acts on their own, but when they are considered as a whole, they can be evaluated as constituting single use of a single copyrighted work.

Concerning the point made in the above [ii], it is acknowledged from Exhibits Ko 121 to 160 as listed by First Instance Plaintiff that, even after the measure of disabling inline links was taken around February 13, 2016, Defendant's Images 1 to 4 were publicly available on websites, and that the above images were downloaded personally by First Instance Plaintiff, but these exhibits are not sufficient to prove that there was indeed any access to and downloading of Defendant's Images 1 to 4 by a third party other than First Instance Plaintiff, and there is no other evidence to acknowledge as such.

Concerning the point made in the above [iii], it can be said from evidence (Exhibits Ko 55, 59, 116, 117) and the entire import of the oral argument that while it seems that usage fees were calculated according to Plaintiff's Price List with regard to paper-based textbooks and digital textbooks published by Tokyo Shoseki Co., Ltd. as well as JR pamphlets, there is not enough evidence to support the argument that, even in other cases, usage fees were determined by always adhering to Plaintiff's Price List and applying the same and that the usage fees, as having been determined accordingly, were actually paid.

Concerning the point made in the above [iv], the case examples of amicable settlements as listed by First Instance Plaintiff concern photographs whose subjects are different from that of the Photograph, so that the manner of use therein is also different from that of the present case, and the specific progress that led to the amicable settlement is not clear. Given these circumstances, it cannot be acknowledged that the above case examples of amicable settlements are immediately applicable to the present case.

Accordingly, the above claims made by First Instance Plaintiff cannot be accepted."

- (7) At the end of line 2 on page 20 of the judgment in prior instance, start a new line and add "(3) Costs related to disclosure of identification

information of the sender", and on line 3 on the same page, revise "(3)" to "A", and on line 4 on the same page, revise "A" to "(A)".

- (8) On page 20 of the judgment in prior instance, revise the part from "the same amount" on lines 6 and 7 until "is such" on line 8 to "according to the engagement agreement between First Instance Plaintiff and Plaintiff's agent, the aforementioned deposit of 270,000 yen includes the costs involved in translating the Written Petition into English and in obtaining the Statement of Information from Smule, Inc., and there was an agreement to reduce the amount of deposit to 150,000 yen (excluding tax) in the event that First Instance Plaintiff may have to separately have a translation company do the translation work".
- (9) On line 17 on page 20 of the judgment in prior instance, revise "B" to "(B)".
- (10) On page 20 of the judgment in prior instance, revise the part from "would be required, among other things," on line 21 until the end of line 23 as follows.

"would be required.

On the other hand, however, in a case of petition for provisional disposition, the translation cost for translating documents to be submitted to the court falls under the costs prescribed in Article 2, paragraph (1), item (viii) of the Act on Costs of Civil Procedure, and if the petition filed by a creditor is approved, the obligor bears such costs (Article 7 of the Civil Provisional Remedies Act, Article 61 of the Code of Civil Procedure), so that First Instance Plaintiff, who is the creditor of the present case seeking provisional disposition and whose petition was approved, should, in theory, receive payment of the above costs from Smule, Inc., who is the obligor of the present case seeking provisional disposition, instead of receiving payment from First Instance Defendant. Furthermore, with regards to the cost equivalent to the work of translation into English, as is claimed to be included in the deposit for the engagement agreement between First Instance Plaintiff and Plaintiff's agent as described above in (A), there is no sufficient evidence to acknowledge any special circumstances based on which First Instance Defendant, instead of Smule, Inc., should bear such translation cost.

Accordingly, with regards to the cost equivalent to the aforementioned cost of translation into English, it cannot be acknowledged that it falls under damage that has legally sufficient cause with the acts of tort by First Instance Defendant.

(C) When the circumstances described above are comprehensively taken into consideration, it is reasonable to acknowledge that the amount of damages for the cost of filing a petition of the present case, which has legally sufficient cause with the acts of tort by First Instance Defendant, is 150,000 yen."

(11) On line 24 on page 20 of the judgment in prior instance, revise "(4)" to "B", and on line 25 on the same page, revise "the above findings" to "(A) ... the findings described above".

(12) At the end of line 13 on page 21 of the judgment in prior instance, start a new line and add the following:

"(B) In response, First Instance Defendant asserts that since it is presumed that the engagement agreement between First Instance Plaintiff and Plaintiff's agent (Exhibit Ko 30) for the execution of a provisional remedy covers the request to engage in at least three cases, the part of the cost for the execution of a provisional remedy as paid by First Instance Plaintiff having legally sufficient cause with the present case is the amount that is equivalent to 1/3, at most, of said costs.

However, given the fact that, under '[a]' of Article 1 of Exhibit Ko 30 (the engagement letter dated July 17, 2017), it clearly states '[iii] Attorney's fees in the amount of 100,000 yen ... (excluding tax)' as the attorney's fees for the case of petition for indirect enforcement pertaining to the present case of petition for direct enforcement, it is acknowledged that First Instance Plaintiff and Plaintiff's agent agreed, under Exhibit Ko 30, that the attorney's fees for the present case of petition for compulsory enforcement shall be 100,000 yen (excluding tax). Accordingly, the above claims made by First Instance Defendant cannot be accepted."

(13) On line 14 on page 21 of the judgment in prior instance, revise "(5)" to "C", and at the end of line 25 on the same page, add "Also, the same applies to the costs required by Plaintiff's agent's office (42,000 yen) upon requesting for voluntary disclosure, as claimed by First Instance Plaintiff".

(14) At the end of line 1 on page 22 of the judgment in prior instance, start a new line and add the following.

"D Conclusion

Based on what is described above, it is acknowledged that the amount of damages for the costs which are related to disclosure of identification information of the sender and which have legally sufficient cause with the acts of tort by First Instance Defendant shall be a total of 258,000 yen."

- (15) On line 2 on page 22 of the judgment in prior instance, revise "(6) Compensation money" to "(4) Compensation money for infringement of moral rights of author".
- (16) On line 3 on page 22 of the judgment in prior instance, revise "Plaintiff's Image" to "Plaintiff's Image which is created by turning the Photograph, which targets two penguins, into electrical data", and on line 5 on the same page, add "given that the alteration is significant" after "constitutes infringement".
- (17) On line 11 on page 22 of the judgment in prior instance, revise "and other matters" to "and other matters, such as how First Instance Defendant personally disclosed its address and name to First Instance Plaintiff", and on line 12 on the same page, revise "100,000 yen" to "100,000 yen (a total amount for 40,000 yen for infringement of the right of attribution and 60,000 yen for infringement of the right to integrity)".
- (18) On line 13 on page 22 of the judgment in prior instance, revise "(7)" to "(5)", and on line 14 on the same page, revise "the amount having been approved" to "the amount having been approved, the background of the present suit, and the progress of examination in the present suit", and on line 15 on the same page, revise "70,000 yen in damages equivalent to the attorney's fees" to "60,000 yen for damage in the amount that is equivalent to attorney's fees".
- (19) Revise lines 17 to 20 on page 22 of the judgment in prior instance as follows.

"(6) Summary

Based on what is described above, First Instance Plaintiff may demand against First Instance Defendant for damage compensation based on the acts of tort of copyright infringement and infringement of the moral rights of author for the photographic work, in the amount of 582,226 yen (a total amount for the above (1) through (5)) and, for 291,113 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 (the date of the act of tort involving the Right Part of the Photograph) until payment completion, and for the remaining 291,113 yen from among the damages, delay damages arising therefrom for the period from February 18, 2016 (the date of the act of tort involving the Left Part of the Photograph) until payment completion, both at the rate of 5% per annum as prescribed by the Civil Code."

4. Conclusion

Based on what is described above, the claims made by First Instance Plaintiff are reasonable within the extent of demanding payment of money in the amount of

582,226 yen and, for 291,113 yen from among the damages, delay damages arising therefrom for the period from January 7, 2016 until payment completion, and for the remaining 291,113 yen from among the damages, delay damages arising therefrom for the period from February 18, 2016 until payment completion, both at the rate of 5% per annum, and shall therefore be approved, and there are no grounds for other claims, which shall therefore be dismissed.

Accordingly, since the appeal filed by First Instance Defendant is partially reasonable, the judgment in prior instance shall be modified accordingly as described above, and since there are no grounds for the appeal filed by First Instance Plaintiff, the appeal shall be dismissed, and the judgment is delivered in the form of the main text.

Intellectual Property High Court, Fourth Division

Presiding Judge: OTAKA Ichiro

Judge: KOKUBU Takafumi

Judge: HAZUI Takuya